August 31, 2006

The Honorable Larry Phillips Chair, King County Council Room 1200 COURTHOUSE

Dear Councilmember Phillips:

I am pleased to submit to you the first code amendments in accordance with the 2005 Rural Economic Strategies. If adopted, these changes will make it easier to conduct resource-based and other economic development activities in the rural area.

In addition to a proposed ordinance, I have included a summary table that outlines the proposed changes along with the current law and associated public comments.

Development of the Proposal and Public Involvement

The Rural Economic Strategies call for further review of county regulations and procedures to remove obstacles to establishing and/or operating home-based businesses. In December, 2005, the Office of Business Relations and Economic Development (BRED) sent letters to the rural Unincorporated Area Councils (UACs) and the rural chambers of commerce requesting their assistance in identifying opportunities to enhance home-based businesses and existing barriers to such uses. Over the next several months, Executive staff met many times with rural UACs and chambers of commerce to identify and discuss potential opportunities, barriers, and code changes. Executive staff also worked with the King County Agriculture Commission and Rural Forestry Commission to identify issues of importance to them.

During this period, the Growth Management and Natural Resources Committee (committee) also considered changes to regulations governing home-based businesses, which it adopted at its June 13, 2006 meeting as amendments to Proposed Ordinance 2006-0113. In early July, BRED released the Public Review Draft of the Code Changes Package. This package included both proposed Ordinance 2006-0113, at the request of the committee, and the changes developed by Executive staff regarding resource-based activities. This gave the broader rural community an opportunity to comment on the committee's proposal. I will send the council a

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separate letter that recommends code changes, based upon public comment, that affect home-based businesses.

Following release of the Public Review Draft, BRED held several public meetings with the rural UACs, the Agriculture Commission, and the Rural Forest Commission. In addition, BRED sponsored a public meeting in Preston on July 25th. Throughout the process, BRED encouraged rural residents and business owners to submit comments for consideration. BRED received many thoughtful comments and recommendations; and, as a result of this process, I made many changes to the Public Review Draft to be more responsive to the needs and concerns of all rural residents.

Ordinance for Resource-Based Activities and Animal Care

King County has been very successful at preserving agriculture lands. Through the Farmlands Preservation Program, over 12,800 acres of farmland have been permanently protected for the generations of today and tomorrow. King County's five Agricultural Production Districts provide a great environment for agriculture in King County and have not lost land base since they were established in 1985. Now that King County has protected the land, it is time to focus on the farmer. Agriculture in King County has changed dramatically in the last 50 years and even in the last ten years. The focus today is on diversification of products with a trend toward more niche markets and opportunities for value-added products. The changes presented in the attached ordinance will make it easier for farmers to add value to their products through more flexible processing standards and provide greater opportunity for them to sell products directly to the consumer. I propose shifting more uses away from the conditional use permit process to being outright permitted uses. Further, I am providing incentives to protect King County designated historic buildings, including historic barns, by eliminating the size limits on floor area devoted to sales and processing if occurring in these buildings.

I also recognize the need to allow property owners more flexibility to thin trees to maintain the health of the forest without incurring the development moratorium imposed by state law. Under my proposal, forest health thinning would be allowed in critical area buffers without creating the six-year development moratorium. To take advantage of this option, the forest practice would need to be conducted in compliance with a Conversion Option Harvest Plan approved by the county and limited to forest health activities identified in a county-approved forest management plan.

Following is a summary of the proposed changes:

Farmworker Housing

Many farms in King County are now large enough operations to require workers year-round, but existing regulations allow no more than two accessory dwelling units and require the farmer to live on the farm. The proposed ordinance increases the number farm worker housing units based on the size of the farm. It

also eliminates the requirement that the farmer also live on the farm, which is often impractical.

Animal Specialty Service

This change will allow animal services, such as dog day care and animal shelters, as a stand-alone business in the rural area through a conditional use permit. Smaller day cares for dogs as a home occupation will continue to be allowed as a permitted use.

Retail Nurseries

Currently, retail nurseries are classified along with building, hardware and garden stores. This change creates a separate category for retail nurseries and would allow them as permitted uses in the rural zones with the retail sales area limited to 3,500 square feet. The sales area limit does not apply if sales take place in a King County designated historic building.

Agricultural Product Sales

One of the greatest opportunities for farmers to expand their income is to sell their products directly to the consumer. This change will allow the floor area devoted to sales of agricultural products to be up to 3,500 square feet as a permitted use. The sales area limit does not apply if sales take place in a King County designated historic building.

Manufacturing of Food and Kindred Products

Value-added products, such as jams, baked goods, and salsas, create another opportunity for farmers to expand their business. This change will allow the floor area devoted to agricultural processing to be up to 3,500 square feet as a permitted use. On agriculture zoned properties 35 acres or larger, this limit is increased to 7,000 square feet. The production area limit does not apply if the operation takes place in a King County designated historic building.

Wineries and Breweries

King County provided the opportunity to establish a winery in the rural and agricultural zones in 2003. At that time, I did not anticipate the entrepreneurial aspirations of our farmers. Farmers are now making cider and other fruit-based alcoholic beverages for sale at local farmers markets. Additionally, the county has farmers interested in growing grapes on south-facing slopes with the plan to make wine in the future. This change would bring the winery provisions in line with the manufacturing requirements for other agricultural products.

Forestry Thinning

This change would promote the health of a forest by allowing forest thinning within aquatic areas, wetlands, steep slopes and in wildlife areas without imposing a six-year moratorium on development. The thinning must be

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consistent with a conversion option harvest plan and a county approved forest management plan.

If you have any questions, please contact Ray Moser, Manager, Economic Development Section in the Office of Business Relations and Economic Development, at 206-205-0707.

Thank you for your consideration.

Sincerely,

Ron Sims King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Ross Baker, Chief of Staff

Shelley Sutton, Policy Staff Director

Megan Smith, Lead Staff, GMUA Committee

Anne Noris, Clerk of the Council

Bob Cowan, Director, Office of Management and Budget

Stephanie Warden, Director, Department of Development and Environmental Services

Pam Bissonnette, Director, Department of Natural Resources and Parks

George Northcroft, Director, Office of Business Relations and Economic Development (BRED)

Ray Moser, Manager, Economic Development Section, BRED

Karen Wolf, Senior Executive Policy Advisor, King County Executive Office